

Chapter 08 Municipal Court Collections Fund

100 General

- 101 The Municipal Court Collections Fund was created to provide support for salaries of municipal court personnel, for the purchase, operation and maintenance of software and equipment, for facility planning and improvement, and for other expenses incurred for the purpose of collecting fines and assessments within the municipal court system. The Mississippi Department of Revenue (DOR) is responsible for the administration of the fund, the disbursement of monies within the fund to participating cities when appropriated by the legislature, and for ensuring that the municipal court system of a participating municipality practices proper and effective collection procedures for the collection of fines and other assessments.
- 102 Municipalities must qualify in order to participate in the disbursements from the Municipal Court Collections Fund. To qualify, the governing authority of a municipality must contract with a private attorney or private collection agent or agency to collect delinquent fees, fines and other assessments as provided by Miss. Code Ann. Section 21-17-1(6). Using a municipal employee for these services does not qualify the municipality to receive the distribution. The municipality must submit to the DOR the following information in order to be considered as participating:
1. The name of the municipality;
 2. The name and address of the person or department that will be the contact for this program; and
 3. A copy of the contract made with the collection entity including the services being performed and the time frame governed by the contract.
- 103 The DOR will issue a letter to the municipality either approving or denying participation in the disbursements from the Municipal Court Collections Fund. The participating municipality becomes eligible for disbursements on the effective date of the contract. Disbursements begin the quarter following qualification of participation and are retroactive to the effective date of the contract, as long as the effective date is within the same fiscal year (July 1 - June 30). The municipality must notify the DOR in writing upon early termination or discontinuance of the contract. In order to maintain participation in the Municipal Court Collections Fund a valid contract must be provided annually to the DOR by the anniversary date indicated in the approval of participation letter.
- 104 An assessment is collected by the municipal court system from each person upon whom the court imposes a fine or other penalty for any misdemeanor specified as “other misdemeanors” in Miss. Code Ann. Section 99-19-73(6). The assessments are then remitted to the Department of Finance and Administration (DFA) in the normal monthly settlements. The DFA accounts for and deposits the money into the fund. By the end of the month following the end of each calendar quarter, the

DOR will calculate the total amount that should be distributed from the Municipal Court Collections Fund to each participating municipality using DFA accounting reports. The DOR will then send a request to DFA to send the calculated distribution amount to each participating municipality.

- 105 Per Miss. Code Ann. Section 21-23-23, disbursements of money from the fund may only be used to provide support for the following:
1. Salaries for municipal court personnel;
 2. Purchase, operation and maintenance of software and equipment;
 3. Facility planning and improvement;
 4. Other expenses incurred for the purpose of collecting fines and assessments within the municipal court system; and
 5. Defraying costs associated with collections actions when a municipality uses its own employees to collect delinquent fines and other assessments owed.

106 (Reserved)

200 Collections Procedures for a Participating Municipality

- 201 Payment of fines and other assessments within the municipal court system are due at the time assessed. If the individual cannot pay at that time, a record of the assessment should be made. The record should contain the date of the assessment, the reason for the assessment, the amount of the assessment, any amount paid against the assessment, and the name, address and phone number of the person assessed. After thirty (30) days, if payment has not been received, a letter requesting payment should be mailed to the last known address. If payment is not received after an additional thirty (30) days, a phone call should be made. These fines and other assessments are determined to be delinquent after ninety (90) days and may be turned over to a private attorney or private collection agency or agent.
- 202 There shall be due to the municipality from any person whose delinquent payment is collected under a contract executed as provided in Miss. Code Ann. Section 21-17-1(6) an amount, in addition to the delinquent payment, not to exceed twenty-five percent (25%) of the delinquent payment for collections made within this state, and not to exceed fifty percent (50%) of the delinquent payment for collections made outside of this state.
- 203 If a municipality uses its own employees to collect any type of delinquent payment owed to the municipality, then from and after July 1, 2000, the municipality may charge an additional fee for collection of the delinquent payment provided the payment has been delinquent for ninety (90) days. The collection fee may not exceed twenty-five percent (25%) of the delinquent payment if the collection is made within this state and may not exceed fifty percent (50%) of the delinquent payment if the collection is made outside this state. In conducting collection of delinquent payments, the municipality may

utilize credit cards or electronic fund transfers. The municipality may pay any service fees for the use of such methods of collection from the collection fee, but not from the delinquent payment.

204 The additional fees referred to in Sections 202 and 203 above are not deposited into the Municipal Court Collections Fund.

205 (Reserved)

300 Grants

301 In accordance with Miss. Code Ann. Section 21-23-23, excess monies allocated to the Municipal Court Collections Fund may be awarded as grants to participating municipalities as long as the use of the money is consistent with the purpose of the fund.

302 The amount of excess funds available in the Municipal Court Collections Fund on July 1 of each fiscal year may be used by the DOR to provide the municipal court collections grants.

303 Municipal court collections grants will only be made to participating municipalities that will use the monies to provide support for the purposes listed in Section 105 of this regulation. The maximum amount that a city may receive from the fund is equal to the amount of deposits made into the fund by that city, less five percent (5%) that is retained by the DOR.

304 The amount of grant funds available will be determined at the end of each fiscal year based on the amount of excess money remaining in the Municipal Court Collections Fund and will be posted on the DOR website. A grant award is neither entitled nor guaranteed.

305 In order to receive consideration for a grant from the DOR the participating municipality must submit a proposal between July 1 and August 31 of each year containing the following:

1. The name of the municipality;
2. The name and address of the contact person;
3. The date of request;
4. A detailed narrative description of how the grant funds will be used and what they will be used for;
5. A timeline from the start date to the completion of the project;
6. Plans for how the municipality will account for the expenditure;
7. An itemized budget of the project or plan in which the grant funds will be used. The itemized budget should include the overall total costs of conducting the project or plan and how the grant funds will be applied;
8. If the proposal is supported or matched by additional funding by governments or other grant awards;

9. A copy of any local, state and federal permits applicable to the project;
 10. A copy of the contract if the proposed uses of the grant funds include a contract; and
 11. The selection process for the hiring of a contractor must be disclosed if a contractor is used.
- 306 The DOR Grant Review Committee (Grant Committee) will review and either accept or deny the grant proposal based on consistency with these regulations and the availability of funds. A letter response containing the decision will be sent to each municipality that submits a proposal.
- 307 Proposals will be evaluated and ranked with preference for approval based on the following factors:
1. Level of need;
 2. Supporting or matching funds by government or other grant awards;
 3. Previous grant approvals from this fund;
 4. The need for additional funding supplemental to this grant award in order to complete the proposed project; and
 5. Any other factors the Grant Committee deems relevant.
- 308 When funds requested exceed funds available, the ranking factors above may be used to determine which proposals are awarded grant funding. The Grant Committee, in its discretion, may also apportion available funding to applicants in a fair and equitable manner when the factors above do not yield clear award preferences.
- 309 The Grant Committee may refuse to approve a grant proposal for any of the following reasons:
1. The proposal is inconsistent with these regulations or with any State law.
 2. The participating municipality has failed to provide a complete proposal per Section 305 of these regulations.
 3. The proposal contains incorrect information.
 4. The proposal contains expenditures of grant funds that are unnecessary or that exceed usual and customary costs.
 5. Insufficient grant funds in the municipal court collections fund.
 6. The grant proposal is ranked lower by the Grant Committee than other proposals based on the factors in Section 307 of these regulations.
 7. The proposal is submitted by a participating municipality that is in violation of any condition of a previously awarded grant by the DOR.
 8. Any other factors as determined by the DOR.
- 310 Grant award conditions:
1. All grants require compliance with all applicable procurement and purchasing regulations established pursuant to state law.
 2. No grant funds should be utilized for costs not identified in the approved grant proposal unless otherwise approved by the DOR.

3. A project must begin within six (6) months of receipt of the grant award or the monies shall be forfeited back to the DOR.
 4. Grants are awarded on a prospective basis only, meaning that the grant award date must occur before the project start date.
 5. At the discretion of the DOR, monies which are unspent after the completion of the project or the expiration date of the grant award, whichever occurs first, shall be forfeited back to the DOR.
 6. The expiration date of the grant award is one year from the grant award date unless otherwise approved by DOR.
 7. The DOR may include any other conditions as part of the grant award that it determines is necessary including project specific conditions.
- 311 A quarterly report and a final report upon completion of the project must be submitted to the DOR that includes a description of the progress of the project, expenditures to date and the current balance of the grant. All source documentation should be included with the quarterly report.
- 312 A report of all distributions and grant approvals for each fiscal year will be made available to the State Auditor's Office. Municipalities awarded grant funds are responsible for maintaining proper documentation to verify that funds were spent only on eligible project costs per the proposal.
- 313 Grants will be awarded October 1. Any funds not awarded as a grant on November 1 of each prior fiscal year may revert to the DOR.
- 314 (Reserved)